



General Assembly

Substitute Bill No. 382

February Session, 2010

* ____SB00382APP__042010__ *

**AN ACT REQUIRING BIODIESEL BLENDED HEATING OIL AND
LOWERING THE SULFUR CONTENT OF HEATING OIL SOLD IN THE
STATE.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 16a-21a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2011*):

4 (a) (1) The amount of sulfur content of the following fuels sold,
5 offered for sale, distributed or used in this state shall not exceed the
6 following percentages by weight: [(1)] (A) For number two heating oil,
7 three-tenths of one per cent, and [(2)] (B) for number two off-road
8 diesel fuel, three-tenths of one per cent.

9 (2) Notwithstanding subdivision (1) of this subsection, the amount
10 of sulfur content of number two heating oil sold, offered for sale,
11 distributed or used in this state shall not exceed the following
12 percentages by weight: (A) For the period beginning July 1, 2011, and
13 ending June 30, 2014, fifty parts per million, and (B) on and after July 1,
14 2014, fifteen parts per million.

15 (3) The provisions of subdivision (2) of this subsection shall not take
16 effect until the states of New York, Massachusetts and Rhode Island
17 each have adopted requirements that are substantially similar to the
18 provisions of said subdivision.

19 Sec. 2. (NEW) (*Effective October 1, 2010*) (a) For purposes of this
20 section:

21 (1) "Heating oil" means heating fuel that meets the American Society
22 of Testing Materials or "ASTM" standard D396 or the "ASTM" standard
23 D6751;

24 (2) "Biodiesel blend" means a fuel comprised of mono-alkyl esters of
25 long chain fatty acids derived from vegetable oils or animal fats that
26 meets the most recent version of ASTM International designation
27 D6751;

28 (3) "Sold" means the wholesale sale made to a retailer or the retail
29 sale made to an end-user consumer;

30 (4) "Commissioner" means the Commissioner of Consumer
31 Protection, or the commissioner's designee; and

32 (5) "Sufficient in-state production of biodiesel" means fifty per cent
33 of the annual mandated volume of biodiesel, as determined by the
34 most recent data available from the Energy Information
35 Administration of the United States Department of Energy, is available
36 from in-state producers based upon the combined nameplate capacity
37 of such producers.

38 (b) (1) Subject to the provisions of subdivision (2) of this subsection
39 and subsections (d) and (f) of this section, (A) not later than July 1,
40 2011, all heating oil sold in this state shall be a biodiesel blend
41 containing not less than two per cent biodiesel, (B) not later than July 1,
42 2012, all heating oil sold in this state shall be a biodiesel blend
43 containing not less than five per cent biodiesel, (C) not later than July
44 1, 2015, all heating oil sold in this state shall be a biodiesel blend
45 containing not less than ten per cent biodiesel, (D) not later than July 1,
46 2017, all heating oil sold in this state shall be a biodiesel blend
47 containing not less than fifteen per cent biodiesel, and (E) not later
48 than July 1, 2020, all heating oil sold in this state shall be a biodiesel
49 blend containing not less than twenty per cent biodiesel.

50 (2) The provisions of subparagraphs (A) to (E), inclusive, of
51 subdivision (1) of this subsection shall not take effect until the states of
52 New York, Massachusetts and Rhode Island each have adopted
53 requirements that are substantially similar to the provisions of
54 subparagraphs (A) to (E), inclusive, of subdivision (1) of this
55 subsection.

56 (c) Unless the commissioner issues a waiver pursuant to subsection
57 (f) of this section, any biodiesel blended with heating oil shall be
58 produced in accordance with industry-accepted quality control
59 standards. A certificate of analysis that verifies conformity with the
60 critical specifications of designation D6751 of ASTM International, as
61 defined by the National Biodiesel Accreditation Program, shall be
62 provided by the marketers or producers of any such biodiesel prior to
63 the blending of such biodiesel with heating oil. The Department of
64 Consumer Protection, within available appropriations, shall verify that
65 biodiesel offered for sale in this state conforms to the critical
66 specifications of designation D6751 of ASTM International, as defined
67 by the National Biodiesel Accreditation Program, and to the biodiesel
68 fuel quality compliance protocol currently accepted by the Department
69 of Consumer Protection.

70 (d) On or before April 1, 2011, and on or before April 1, 2012, the
71 Commissioner of Consumer Protection, in consultation with the
72 Distillate Advisory Board established pursuant to subsection (e) of this
73 section, shall, within available appropriations, determine whether
74 there is sufficient in-state production of biodiesel, to comply with the
75 provisions of subparagraphs (A) and (B) of subdivision (1) of
76 subsection (b) of this section, respectively. If the commissioner
77 determines that such production is not sufficient, the commissioner, in
78 consultation with the board, may delay the implementation date
79 contained in said subparagraph until July 1, 2012, or earlier, and July 1,
80 2013, or earlier, respectively, provided the commissioner: (1) Not later
81 than three business days after such determination, posts a notice
82 specifying the duration of such delay on the department's Internet web
83 site, and (2) not later than thirty days after such posting, reports, in

84 accordance with the provisions of section 11-4a of the general statutes,
85 the reasons for such delay to the joint standing committees of the
86 General Assembly having cognizance of matters relating to the
87 environment, general law and energy and technology.

88 (e) (1) There is established a Distillate Advisory Board. Such board
89 shall be located in the Department of Consumer Protection and shall
90 consist of the following members appointed by the Commissioner of
91 Consumer Protection: (A) Two representatives of the producers or
92 suppliers of biodiesel in this state, (B) two representatives of the retail
93 heating oil industry in this state, and (C) two representatives of the
94 wholesale distillate supply industry in this state. Each member of the
95 board shall serve at the pleasure of the commissioner and without
96 compensation. No funds shall be allocated or made available to the
97 board.

98 (2) The board shall advise the commissioner on industry and market
99 progress in meeting and enabling compliance with the requirements of
100 subsections (b) and (c) of this section.

101 (f) (1) The Commissioner of Consumer Protection, upon the receipt
102 of a petition submitted by the Distillate Advisory Board in compliance
103 with the provisions of subdivision (2) of this subsection, shall
104 temporarily waive the requirements of subsections (b) and (c) of this
105 section when: (A) The United States Department of Energy authorizes
106 a release from the Northeast Heating Oil Reserve, (B) there is an
107 inadequate supply of low-sulfur distillate products, or (C) there is an
108 inadequate supply of biodiesel blending stocks or an operational
109 problem that affects the supply of biodiesel blending stocks. Any such
110 waiver shall be for a period of not less than thirty days and not more
111 than forty-five days, provided such waiver may be renewed after the
112 expiration of such period of time.

113 (2) Any petition from the Distillate Advisory Board that requests a
114 waiver of any requirement of subsection (b) or (c) of this section shall
115 include, at a minimum: (A) A statement of the immediate threat to the

116 health and safety of the citizens of this state posed by the inadequate
 117 supply of low-sulfur distillate products, biodiesel blending stocks or
 118 operational problems that affect the supply of biodiesel blending
 119 stocks, as applicable, (B) the cause and nature of such inadequate
 120 supply or operational problem, as applicable, (C) the expected
 121 duration of such inadequate supply or operational problem, and (D) as
 122 applicable, a description of any alternative distillate supply that
 123 temporarily is needed to take the place of the applicable distillate
 124 supply described in subsection (b) or (c) of this section. Not later than
 125 three business days after receipt of any such petition, the
 126 commissioner shall issue a waiver of the requirements of subsection (b)
 127 or (c) of this section, as applicable.

128 (g) Not later than February 1, 2012, and each year thereafter, the
 129 Commissioner of Consumer Protection, in consultation with the
 130 Distillate Advisory Board, shall submit a report, in accordance with the
 131 provisions of section 11-4a of the general statutes, to the joint standing
 132 committees of the General Assembly having cognizance of matters
 133 relating to energy and the environment on the progress in meeting the
 134 requirements of this section and on any affect that such requirements
 135 may have on the price or supply of heating oil in this state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2011	16a-21a(a)
Sec. 2	October 1, 2010	New section

Statement of Legislative Commissioners:

"Adopt" in subdivision (2) of subsection (b) of section 2 was changed to "have adopted" for proper grammar.

APP *Joint Favorable Subst.*